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RUEHNE/AMEMBASSY NEW DELHI 2051
RUEHKO/AMEMBASSY TOKYO 2284
RUEHWL/AMEMBASSY WELLINGTON 2888
RUEHHK/AMCONSUL HONG KONG 2841
RUEHBAD/AMCONSUL PERTH 0993
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C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 001441

SIPDIS

DEPT FOR EAP, EAP/MTS, EAP/MLS

E.O. 12958: DECL: 07/28/2018
TAGS: PGOV KDEM ID
SUBJECT: MAJOR OPPOSITION PARTY PICKS UP SOME TRACTION

REF: A. JAKARTA 1405
¶B. JAKARTA 1377
¶C. JAKARTA 1366
¶D. JAKARTA 1043 AND PREVIOUS

Classified By: Pol/C Joseph L. Novak, reasons 1.4(b+d).

¶1. (C) SUMMARY: Indonesia's major opposition party, the Indonesian Democratic Party of Struggle (PDI-P), seems to be gaining some momentum. The secular-leaning party has done relatively well in recent gubernatorial contests and is performing well in the polls--as is its leader, former president Megawati. Most observers say the party--which routinely plays the populist card--is benefiting by making rising food and fuel prices a signature issue. Over all, it appears quite possible that PDI-P could lead the pack in the 2009 legislative elections, but most observers still believe that Megawati will come up short in her latest presidential quest. END SUMMARY.

SOLID RESULTS IN GUBERNATORIAL CONTESTS

¶2. (C) Indonesia's major opposition party, PDI-P, appears to be on the upswing. The party--which is led by former president Megawati Sukarnoputri--has performed relatively well in recent gubernatorial races, winning four of nine contests. Results for PDI-P follow:

-- West Java (April 2008): PDI-P finished second.
-- North Sumatra (April 2008): PDI-P finished second.
-- East Kalimantan (May 2008): PDI-P finished fourth.
-- East Nusa Tenggara (June 2008): PDI-P finished first.
-- Central Java (June 2008): PDI-P finished first.
-- West Nusa Tenggara (July 2008): PDI-P finished second.
-- Bali (July 2008): PDI-P finished first.
-- Maluku (July 2008): PDI-P finished first.
-- East Java (July 2008): PDI-P finished third.

GOOD POLL NUMBERS

¶3. (SBU) The party is also performing well in opinion polls, usually leading the pack as the Indonesian public's first preference. (Note: In 2004, the party won the second-most

seats in the national legislature, DPR, trailing Golkar.) A recent national poll conducted by Indonesia's Center for Strategic and International Studies (CSIS) showed the following:

-- PDI-P with 20 percent of support.
-- Golkar with 18 percent.
-- Prosperous Justice Party (PKS) with 12.0 percent.
-- National Awakening Party (PKB) with 7.0 percent.
-- Partai Democrat with 5.0 percent.
-- United Development Party (PPP) with 3.0 percent.
-- National Mandate Party (PAN) with 2.0 percent.

¶4. (SBU) Party leader Megawati is also performing well in the polls. In the CSIS poll, for example, she leads President Yudhoyono with 23 percent of support to his 15 percent. Other notables follow, including the Sultan of Yogjakarta with nine percent and PKS leader Hidayat Nur Wahid with 8 percent. The CSIS poll is not the only recent poll which has shown Megawati in the lead; a recent Indo-Barometer poll also had her in front (with 26.1 percent of support and her party with 23.8 percent). That said, the polls fluctuate and President Yudhoyono is ahead in some of them. (Note: See Ref b regarding President Yudhoyono's political fortunes. Refs a, c and d, respectively, provide snapshots on PKB, Golkar, and PKS.)

BENEFITING FROM THE RISE IN PRICES

¶5. (C) When asked about PDI-P's performance, observers

comment that the party is benefiting by making rising food and fuel prices a signature issue. With many Indonesians being seriously pressured by the rise in prices, the party's candidates have focused on such issues in their public comments. Megawati, for example, has made "taking care of the common person" a key plank, even as her party came out hard against the GOI's recent decision to raise fuel prices, a tough decision which hurt the government's popularity. These bread-and-butter-type issues are an easy fit for the party, which--befitting its heritage as the party of Indonesian founder Sukarno--is populist and a tinge leftist in inspiration. With little sign that these economic issues will lose their political salience soon, our contacts predict that PDI-P and Megawati probably can ride a wave of popular discontent regarding the economy pretty far in the 2009 national legislative and presidential elections.

¶6. (C) In pressing these and other issues, PDI-P is basically benefiting from not being the party in power. As the main opposition, it has plenty of opportunities to criticize and lash out, as it has regarding the fuel price increase. Theo Sambuaga, a senior Member of Parliament for Golkar (a key member of the GOI coalition), noted to Pol/C recently that "all they (the PDI-P) have to do is criticize; no one is looking at their proposals, which don't add up." He grudgingly added that he thought that PDI-P's positioning was "simply smart politics."

LONG WAY 'TIL '09

¶7. (C) There is a very long road ahead before the April 2009 national legislative elections and the July 2009 presidential elections. That said, after its lagging performance in 2004, PDI-P appears to be making a comeback. Many observers strongly believe that the party could well lead the pack in the legislative elections (even while the final result will probably show that the DPR's membership is seriously fragmented among many parties).

¶8. (C) Observers are less confident about Megawati's chances. While she has been strong on the campaign trail, she carries a great deal of baggage from her 2001-04 tenure as president. In addition, there is a feeling that she does not match up very well with Yudhoyono, who trounced her in a

landslide in 2004. She is a key player, though, and seems set to make a strong showing.

HUME